

**ASSEMBLY BILL**

**No. 154**

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**Introduced by Assembly Member Nakanishi**

January 18, 2007

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An act to add Sections 17257 and 24356.2 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 154, as introduced, Nakanishi. Personal income tax and corporation income tax: energy efficient commercial buildings.

The Personal Income Tax Law and the Corporation Tax Law authorize various deductions and credits in computing the taxes imposed by those laws.

This bill would authorize, in conformance with federal law, a taxpayer who placed an energy efficient commercial building in service during the taxable year, as provided, to deduct an amount equal to the cost of that building, subject to specified restrictions.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 17257 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17257. Section 179D of the Internal Revenue Code, as amended
- 4 by Title XIII of the Energy Policy Act of 2005 (Public Law
- 5 109-58), relating to energy efficient commercial buildings, shall
- 6 apply.

1 SEC. 2. Section 24356.2 is added to the Revenue and Taxation  
2 Code, to read:

3 24356.2. Section 179D of the Internal Revenue Code, as  
4 amended by Title XIII of the Energy Policy Act of 2005 (Public  
5 Law 109-58), relating to energy efficient commercial buildings,  
6 shall apply.

7 SEC. 3. This act provides for a tax levy within the meaning of  
8 Article IV of the Constitution and shall go into immediate effect.

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